



**Resolute**

# Quarterly Activities Report

for the period ended 30 June 2019

**30 July 2019**

## Resolute Outperforms Production and Cost Guidance

**12-month gold production of 305,436oz exceeds guidance of 300,000oz**

**AISC of US\$924/oz lower than guidance of US\$960/oz for the 12 months to 30 June**

**Commercial production achieved at the Syama Underground Mine in June 2019**

**Major Gold Inventory Upgrade at Ravenswood; 1Moz increase in Ore Reserves**

**Maiden High-Grade Underground Resource for Tabakoroni**

**Dual-listing on London Stock Exchange completed with first trading in June 2019**

**New FY19 Guidance (31 December) for Syama of 270,000oz at AISC of US\$890/oz**

### Highlights

- Gold production for 12 months through to 30 June 2019 of 305,436oz at AISC of US\$924/oz
- June 2019 Quarter gold production of 78,132oz at an AISC of US\$939/oz
- Syama sulphide circuit quarterly production of 22,532oz up 69% from March quarter
- Average gold price received for June 2019 Quarter of US\$1,274/oz (A\$1,815oz) from gold sales of 68,900oz
- Significant ramp-up milestone with the Syama Underground Mine reaching commercial production rates
- Major gold inventory upgrade at Ravenswood with 1Moz being added to Ore Reserves
- Ravenswood Expansion Study demonstrating potential to deliver 200,000oz annually for 15 years
- Tabakoroni Mineral Resource Update confirms 1Moz at 5.1g/t Au
- Cash, bullion and listed investments as at 30 June 2019 of A\$56m (US\$40m)
- Gold in circuit inventory as at 30 June 2019 of 66,917oz worth an additional A\$134m (US\$94m)
- New FY19 guidance (31 December) for Syama of 270,000oz at AISC of US\$890/oz
- New FY19 guidance (31 December) for Resolute of 330,000oz at AISC of US\$990/oz

Resolute Mining Limited (Resolute or the Company) (ASX/LSE: RSG) is pleased to present its Quarterly Activities Report for the period ended 30 June 2019.

Managing Director and CEO, Mr John Welborn, was pleased with the Company's solid performance in the June 2019 Quarter: "Exceeding production guidance and outperforming cost guidance for the year to 30 June is an exceptional result during a period of significant development in our business. We have generated strong positive operational cashflows while investing in growth. With the achievement of commercial production rates at the new Syama Underground Mine we have now turned the corner and expect to see increased production at lower costs in line with our development expectations."



Resolute

## Quarterly Activities Report for the period ended 30 June 2019

“In the June Quarter we made significant progress with the commissioning of our Syama Underground Mine with the achievement of sustained rates of commercial production. This is an important project for Syama, for Resolute, and for the mining industry. We are now focused on continuing the successful production ramp up to nameplate capacity and the completion of automating all aspects of the sublevel cave during 2019. Syama is one step closer to becoming the robust, high production, low cost gold complex we have envisaged. Syama will be a powerhouse of gold production for Resolute for many years to come and generate significant returns for Resolute shareholders, local communities, suppliers and the Mali Government.

“Our exploration programs in Mali continue to yield impressive results. At Tabakoroni we now have a Mineral Resource comprising over 1 million ounces of gold at a grade above 5 grams per tonne. This resource inventory includes a maiden Underground Mineral Resource confirming potential for an underground mine at Tabakoroni which will materially extend mine life beyond the current open pit production.

“At Ravenswood, I am particularly pleased with our major upgrade of Mineral Resources and Ore Reserves. The addition of one million ounces of gold in Ore Reserves is an excellent outcome from our recent drilling programs and study work. Gold Mineral Resources at Ravenswood are now almost six million ounces demonstrating the projects status as an outstanding Australian Gold Mine. We are now directing our ongoing study work to focus on a project which can produce 200,000 ounces annually over a 15-year mine life.

“At the corporate level, I was delighted we have delivered as promised on an important strategic goal for 2019 with our listing on the London Stock Exchange. The dual-listing in London will raise Resolute’s profile in global capital markets and facilitate improved access to gold and African-focused institutional investors.

“We have updated our annual production and cost guidance to match the change in our financial year to a 12 month period ending on 31 December. New annual production and cost guidance for the 12 months to 31 December has been upgraded to 330,000 ounces of gold at an AISC of US\$990/oz. This upgrade is an incremental advance towards our potential as we continue to ramp-up the Syama Underground Mine and progress other opportunities for additional production.

“2019 will continue to be an exciting year of growth for Resolute”.



Figure 1: New Syama Automation Control Room

## Health and Safety

The Company’s Total Recordable Injury Frequency Rate as at 30 June 2019 was 2.77 (2.01 as at 31 March 2019). The Company continues to maintain a strong focus on contractor performance across its operations.



## Quarterly Summary

### June 2019 Quarter Production and Costs (unaudited)

June 2019 Quarter	Units	Syama Sulphide	Syama Oxide	Syama Total	Ravenswood	Group Total
UG Lateral Development	m	2,832	-	2,832	-	2,832
UG Vertical Development	m	40	-	40	-	40
Total UG Development	m	2,872	-	2,872	-	2,872
UG Ore Mined	t	329,356	-	329,356	65,487	394,843
UG Grade Mined	g/t	2.67	-	2.67	2.03	2.56
OP Operating Waste	BCM	-	1,240,520	1,240,520	-	1,240,520
OP Ore Mined	BCM	-	211,519	211,519	-	211,519
OP Grade Mined	g/t	-	2.57	2.57	-	2.57
Total Ore Mined	t	329,356	460,347	789,703	65,487	855,190
Total Tonnes Processed	t	473,532	383,487	857,018	652,507	1,509,525
Grade Processed	g/t	2.03	3.95	2.89	0.64	1.92
Recovery	%	72.6	87.8	79.5	91.4	84.6
Gold Recovered	oz	22,445	42,811	65,255	12,358	77,613
Gold in Circuit Drawdown/(Addition)	oz	87	414	501	17	518
Gold Produced (Poured)	oz	22,532	43,225	65,757	12,375	78,132
Gold Bullion in Metal Account Movement (Increase)/Decrease	oz	(3,032)	(4,825)	(7,857)	(1,375)	(9,232)
Gold Sold	oz	19,500	38,400	57,900	11,000	68,900
Achieved Gold Price	A\$/oz	1,811	1,811	1,811	1,837	1,815
	US\$/oz	1,271	1,271	1,271	1,289	1,274
<b>Cost Summary</b>						
Mining	A\$/oz	-	424	279	657	364
Processing	A\$/oz	1,026	213	491	954	565
Site Administration	A\$/oz	550	144	283	307	262
Stockpile Adjustments	A\$/oz	41	(29)	(5)	78	8
Gold in Circuit Movement	A\$/oz	(138)	(150)	(146)	2	(122)
Cash Cost	A\$/oz	1,479	602	903	1,999	1,076
	US\$/oz	1,036	422	632	1,399	754
Royalties	A\$/oz	85	101	96	87	96
By-Product Credits	A\$/oz	(1)	(1)	(1)	(10)	(3)
Sustaining Capital + Others	A\$/oz	174	-	60	90	66
Admin Cost Recharged to Site & Corporate Overheads	A\$/oz	62	77	72	180	105
All-In Sustaining Cost (AISC) <small>AISC is calculated on gold produced (poured)</small>	A\$/oz	1,799	780	1,129	2,345	1,340
	US\$/oz	1,260	546	790	1,642	939
Depreciation and Amortisation	A\$/oz	91	57	69	29	63

Table 1: Production and Cost Summary for the June 2019 Quarter



## Last 12 Months Production and Costs (unaudited)

Last 12 Months (1 July 2018 to 30 June 2019)	Units	Syama Sulphide	Syama Oxide	Syama Total	Ravens- wood	Group Total
UG Lateral Development	m	10,087	-	10,087	54	10,141
UG Vertical Development	m	242	-	242	-	242
Total UG Development	m	10,329	-	10,329	54	10,383
UG Ore Mined	t	737,338	-	737,338	426,797	1,164,136
UG Grade Mined	g/t	2.61	-	2.61	1.89	2.35
OP Operating Waste	BCM	-	4,833,301	4,833,301	59,894	4,893,195
OP Ore Mined	BCM	-	812,213	812,213	117,802	930,015
OP Grade Mined	g/t	-	2.52	2.52	0.59	2.20
Total Ore Mined	t	737,338	1,733,838	2,471,176	762,245	3,233,421
Total Tonnes Processed	t	1,845,137	1,485,914	3,331,051	2,402,474	5,733,525
Grade Processed	g/t	1.81	4.08	2.82	0.86	2.00
Recovery	%	70.5	85.8	77.3	91.9	83.4
Gold Recovered	oz	75,574	171,552	247,127	61,277	308,404
Gold in Circuit Drawdown/(Addition)	oz	(2,422)	(1,087)	(3,510)	542	(2,967)
Gold Produced (Poured)	oz	73,152	170,465	243,617	61,819	305,436
Gold Bullion in Metal Account Movement (Increase)/Decrease	oz	5,847	(12,385)	(6,538)	6,302	(236)
Gold Sold	oz	78,999	158,079	237,078	68,121	305,199
Achieved Gold Price	A\$/oz	1,776	1,776	1,776	1,758	1,772
	US\$/oz	1,268	1,268	1,268	1,261	1,266
<b>Cost Summary</b>						
Mining	A\$/oz	-	360	252	601	322
Processing	A\$/oz	952	231	448	774	514
Site Administration	A\$/oz	513	147	257	246	255
Stockpile Adjustments	A\$/oz	52	(10)	9	123	32
Gold in Circuit Movement	A\$/oz	(92)	(46)	(59)	9	(46)
Cash Cost	A\$/oz	1,425	683	906	1,753	1,077
	US\$/oz	1,016	487	646	1,255	769
Royalties	A\$/oz	102	105	104	101	105
By-Product Credits	A\$/oz	(3)	(1)	(1)	(10)	(3)
Sustaining Capital + Others	A\$/oz	67	3	22	24	23
Admin Cost Recharged to Site & Corporate Overheads	A\$/oz	75	39	50	86	92
All-In Sustaining Cost (AISC)	A\$/oz	1,666	828	1,080	1,953	1,294
<small>AISC is calculated on gold produced (poured)</small>	US\$/oz	1,187	591	770	1,398	924
Depreciation and Amortisation	A\$/oz	112	58	74	23	64

Table 2: Production and Cost Summary for the Last 12 Months (1 July 2018 to 30 June 2019)



### June Year-to-Date Production and Costs (unaudited)

June Year-to-Date (1 January 2019 to 30 June 2019)	Units	Syama Sulphide	Syama Oxide	Syama Total	Ravens- wood	Group Total
UG Lateral Development	m	5,478		5,478	54	5,532
UG Vertical Development	m	129		129		129
Total UG Development	m	5,607		5,607	54	5,661
UG Ore Mined	t	481,329		481,329	146,390	627,719
UG Grade Mined	g/t	2.56		2.56	1.94	2.42
OP Operating Waste	BCM		2,375,785	2,375,785		2,375,785
OP Ore Mined	BCM		525,185	525,185		525,185
OP Grade Mined	g/t		2.66	2.66		2.66
Total Ore Mined	t	481,329	1,125,319	1,606,648	146,390	1,753,038
Total Tonnes Processed	t	977,789	765,311	1,743,100	1,223,657	2,966,757
Grade Processed	g/t	1.69	4.75	3.03	0.72	2.08
Recovery	%	70.56	90.05	79.14	90.98	84.02
Gold Recovered	oz	37,639	106,173	143,813	25,683	169,495
Gold in Circuit Drawdown/(Addition)	oz	(1,742)	8,237	6,495	246	6,741
Gold Produced (Poured)	oz	35,897	114,411	150,308	25,929	176,237
Gold Bullion in Metal Account Movement (Increase)/Decrease	oz	(2,433)	1,299	(1,134)	1,821	687
Gold Sold	oz	33,464	115,710	149,174	27,750	176,924
Achieved Gold Price	A\$/oz	1,802	1,802	1,802	1,789	1,800
	US\$/oz	1,278	1,278	1,278	1,266	1,275
<b>Costs</b>						
Mining	A\$/oz	-	363	277	615	338
Processing	A\$/oz	990	167	363	854	435
Site Administration	A\$/oz	551	117	220	296	220
Stockpile Adjustments	A\$/oz	13	(32)	(21)	79	(6)
Gold in Circuit Movement	A\$/oz	(157)	(12)	(47)	13	(38)
Cash Cost	A\$/oz	1,396	603	792	1,858	949
	US\$/oz	983	427	560	1,312	670
Royalties	A\$/oz	81	116	108	104	108
By-Product Credits	A\$/oz	(5)	(1)	(2)	(11)	(3)
Sustaining Capital + Others	A\$/oz	116	-	28	44	31
Admin Cost Recharged to Site & Corporate Overheads	A\$/oz	54	35	39	104	88
All-In Sustaining Cost (AISC) <small>AISC is calculated on gold produced (poured)</small>	A\$/oz	1,643	753	966	2,099	1,173
	US\$/oz	1,156	533	682	1,482	828
Depreciation and Amortisation	A\$/oz	116	75	85	30	77

Table 3: Production and Cost Summary for June Year-to-Date (1 January 2019 to 30 June 2019)



## Syama, Mali

The Syama Gold Mine (Syama) is located in the south of Mali, West Africa approximately 30km from the Côte d'Ivoire border and 300km southeast of the capital, Bamako. Syama is a large-scale operation which comprises the Syama Underground Mine and the Tabakoroni Open Pit Mine which provide ore to two separate processing circuits: a 2.4 million tonne per annum (Mtpa) sulphide processing circuit and a 1.5Mtpa oxide processing circuit. An updated definitive feasibility study (see ASX Announcement dated 3 July 2018) outlined an updated plan for the Syama Underground Mine which will extend the mine life at Syama beyond 2032 at a life-of-mine AISC of US\$746/oz based on an Underground Ore Reserve of 3.0 million ounces (Moz). Sublevel caving at the Syama Underground Mine commenced in December 2018. Commercial production rates were achieved in the June 2019 Quarter. Once the Syama Underground Mine is fully commissioned, Syama will be capable of producing over 300,000oz of gold annually.

### Operations Update

Gold production at Syama during the June 2019 Quarter totalled 65,757oz at an AISC of A\$1,129/oz (US\$790/oz). This result continued the strong performance trend since the December 2018 Quarter. Production over these past three quarters has totalled 206,516oz. The operations performance for Syama for the June 2019 Quarter is set out in Table 4 below.

Period	Ore Mined (t)	Ore Milled (t)	Head Grade (g/t)	Recovery (%)	Total Gold Production (oz)	Cash Cost (A\$/oz)	AISC (A\$/oz)
Mar Quarter	816,945	886,082	3.18	78.8	84,551	707	839
June Quarter	789,703	857,018	2.89	79.5	65,757	902	1,129
Year-to-Date	1,606,648	1,743,100	3.04	79.1	150,308	792	966

Table 4: Syama Operations Performance

### Sulphide Operations

Gold production from the sulphide circuit for the June 2019 Quarter of 22,532oz was 69% higher than the March 2019 Quarter (13,366oz). This was primarily due to a higher proportion of higher-grade ore from the Syama Underground Mine being processed in the June 2019 Quarter. Overall processed grades increased with only a marginal improvement in overall recoveries. The lower than anticipated increase in overall recoveries were the result of suboptimal performance of the float tails leach circuit and roaster inefficiencies. In the float tails leach circuit contamination by flotation reagents impaired carbon absorption. Roaster performance was affected by the failure of expansion joints in the secondary air supply which reduced throughput and combustion efficiency. Work has commenced to rectify these issues during the September 2019 Quarter, including replacement of the expansion joints in the roaster and modifications to carbon management in the float tails leach circuit. The Company continues to target >85% recovery from underground sulphide ore.

	Ore Mined (t)	Ore Milled (t)	Head Grade (g/t)	Recovery (%)	Total Production (Gold oz)	Cash Cost (A\$/oz)	AISC (A\$/oz)
Mar Quarter	151,973	504,257	1.37	68.6	13,366	1,257	1,379
Jun Quarter	329,356	473,532	2.04	72.6	22,532	1,479	1,799
Year to Date	481,329	977,789	1.69	70.6	35,898	1,396	1,643

Table 5: Syama Sulphide Production and Cost Summary



## Oxide Operations

Quarterly gold production was 43,225oz. This represents another very strong quarter, despite the expected lower grades in the June 2019 Quarter resulting in lower produced ounces than in the preceding March 2019 Quarter. The oxide plant continued to deliver high recoveries while processing a variety of oxide and transitional ores.

	Ore Mined (t)	Ore Milled (t)	Head Grade (g/t)	Recovery (%)	Total Production (Gold oz)	Cash Cost A\$/oz	AISC A\$/oz
Mar Quarter	664,972	381,824	5.57	92.3	71,186	603	737
Jun Quarter	460,347	383,487	3.95	87.8	43,225	602	780
Year to Date	1,125,319	765,311	4.75	90.1	114,411	603	753

Table 6: Syama Oxide Production and Cost Summary

## Achievement of Commercial Production Rates

The Syama Underground Mine will be one of the world's most technically advanced underground gold mines. At full capacity the underground mine will produce approximately 46,000t of ore per week, or 2.4Mtpa, using a fully integrated automated mine fleet. Ore production (mined and hauled) from the Syama Underground Mine achieved commercial production rates of greater than 80% of nameplate capacity (see ASX Announcement dated 27 June 2019). All key aspects of the mine are now operational with daily ore haulage rates regularly above 5,000t per day. Over the last week of June 2019 more than 38,500t of ore were mined and hauled. This level of mined and hauled tonnage is expected to be sustainable on a quarterly basis and has continued throughout July with daily production rates averaging 5,000t.

## Syama Underground Commissioning Update

### Mining Activities

The June 2019 Quarter has seen substantial progress in development rates, drill and blast performance and sublevel cave drawpoint availability. This resulted in total blasted ore tonnage mined increasing to a total of 622,969t. Ore hauled to the run-of-mine (ROM) pad during the June 2019 Quarter was 329,000t. This represents more than double the hauled tonnes achieved in the March 2019 Quarter (152,000t). The production improvement has been achieved by the successful development of additional production slots which has allowed the number of active stoping areas (drawpoints) to be increased from six to 12 over the course of the June 2019 Quarter.

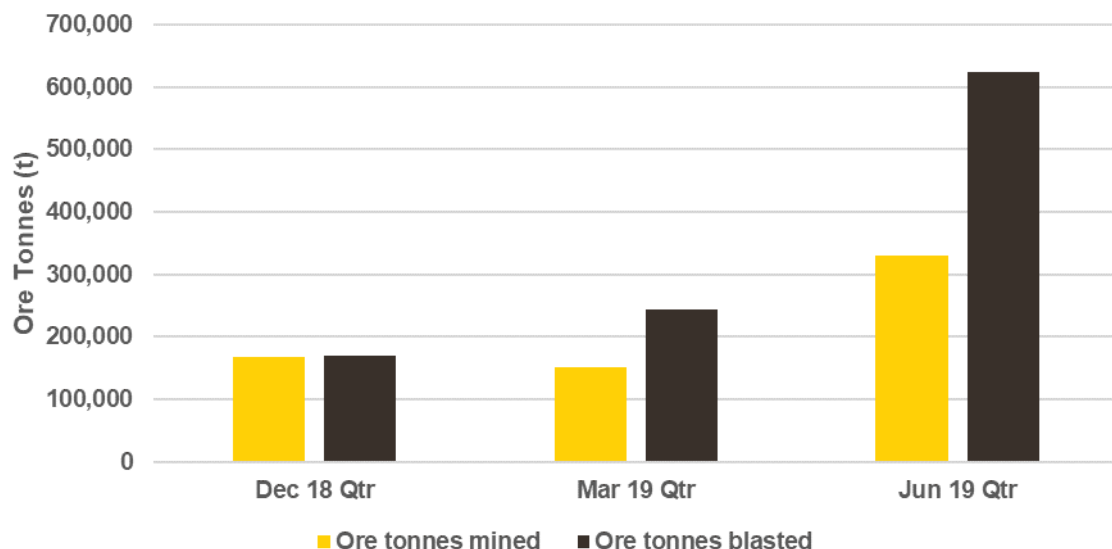


Figure 2: Syama Ore Tonnes Mined and Blasted



As current stoping activity is occurring on the first production levels of the cave, a significant quantity of the ore blasted in the stopes is retained in-situ in order to create an ore blanket against future hanging wall dilution. These ore tonnes will be recovered from the lower levels of the mine. Consequently, the blasted ore tonnage for the June 2019 Quarter exceeded mined (hauling) tonnage by nearly 300,000t.

### Infrastructure

Underground pumping systems are now installed and fully operational. In addition to underground pumping capacity, a surface water management program has been established which is allowing the mine to intercept and remove a large volume of rainfall that would otherwise enter the mine during heavy rain events. The permanent primary ventilation system was installed and commissioned during the March 2019 Quarter and has resulted in reduced re-entry times following blasts.

### Automation System

The commissioning of the Syama Underground Automation System is now well underway with operators in the newly completed surface control room able to control underground production units over shift-change, blasting and re-entry periods, when there are no personnel in the underground mine. This represents the initial delivery of one of the main benefits of automation, the ability to maintain production over periods when operations would normally cease in a typical manual mine.

The fibre optic backbone and mine-wide wireless network is now complete from the portal down to the 1055 haulage level and is connected to the surface control room. This network enables the operation of the automated haulage loop, automated rehandle level, mine digitisation and production automation, all of which allow operators to monitor and control mine production in real time.

A major technical characteristic of the world's first fully automated haulage loop is the ability for Syama's haul trucks to rapidly transition from laser-based underground navigation to surface-based differential global positioning system (GPS) navigation. Recent trials at Syama have demonstrated Resolute's haul trucks are able to acquire the feed from the two surface GPS base stations and seamlessly lock onto satellite guidance to complete the transition to GPS navigation without any delay or speed reductions.

The next phase of automation work will see the commissioning of the 1055 haulage level with automated rehandle loaders and haulage trucks working together to load from an ore pass and truck directly to the surface ROM pad.

With the fans, pump stations, control room and communications network complete, the automation project is being progressively handed over to the operations team which is now at normal operational manning levels.



Figure 3: New Syama Automation Control Room





## Syama Underground Mine Capital Cost Reconciliation

The achievement of Commercial Production at the Syama Underground Mine marks the transition of the project from the development phase into the long-term production phase. At this point, from an accounting perspective, expenditures of an operating nature related to the project cease to be capitalised to the cost of the mine. Having achieved Commercial Production during the quarter, Resolute has reviewed the mining costs incurred during the development phase, and the mining costs remaining over the Life-of-Mine (LOM). These costs have then been compared against the expected mining costs included in both the Original Syama Underground Mine Definitive Feasibility Study (Original DFS) and the June 2018 Definitive Feasibility Study Update (DFS Update) (See Table 7 below). A comparison between the DFS Update and the Original DFS was previously provided to demonstrate the mine's improved capital efficiency on the basis of the increase in contained metal mined from 2.3Moz to 3.0Moz (See ASX Announcement dated 3 July 2018).

	Units	Original DFS (June 2016)	DFS Update (June 2018)	Current Status (June 2019)
<b>Underground Development</b>				
Decline Development	m	8,594	10,869	10,869
Vertical Development	M	3,554	3,738	3,738
Level Development	M	62,717	81,928	81,928
Total Development	M	74,865	96,465	96,465
<b>Ore Production</b>				
Development Ore	kt	4,195	3,319	3,319
Stoping Ore	kt	20,954	31,870	31,870
Total Ore	kt	25,149	35,188	35,188
Metal Grade (ROM)	g/t	2.81	2.69	2.69
Metal Contained (ROM)	koz	2,272	3,042	3,042
<b>Costs</b>				
Pre-production Capital	US\$m	95	116	116
Pre-production Operating	US\$m	13	11	4
Pre-production Operating (Jan-Jul 19)	US\$m			32
Ramp-up Capital	US\$m	68	97	93
Ramp-up Capital (Jan-Jul 19)	US\$m			55
<b>Total Project Capital</b>	<b>US\$m</b>	176	224	300
Sustaining Capital	US\$m	202	254	200
Mine Operating Cost	US\$m	634	700	673
<b>Total Life of Mine Mining Cost</b>	<b>US\$m</b>	<b>1,012</b>	<b>1,178</b>	<b>1,173</b>

**Table 7: Syama Underground Mine Cost Reconciliation**

The comparison of the current status of Life-of-Mine mining costs (costs incurred to date and future expected costs) against previously published estimates demonstrate that the Syama Underground Mine development phase has delivered mining costs consistent with the DFS Update and that Total Life-of-Mine capital costs can be reconciled.

The extension of the project development phase to July 2019 has resulted in costs incurred during this period, which would ordinarily have been classified as operating or sustaining capital costs now forming part of the project capital costs. In Table 7, these additional project capital costs are defined as Pre-production Operating (Jan-Jul 19) and Ramp-up Capital (Jan-Jul 19). Importantly, these expenditures result in reduced outlays over the remaining LOM. As illustrated in Table 7 (see Current Status column), overall estimated Life of Mine mining costs are consistent with the results of the DFS Update.



## Tabakoroni Mineral Resource Update

During the June 2019 Quarter, Resolute reported an updated Mineral Resource estimate for Tabakoroni (see ASX Announcement dated 29 April 2019). Net of depletion as at 31 March 2019, the total Mineral Resource at Tabakoroni was 6.3Mt at 5.1g/t for 1.03Moz of gold including a maiden Underground Mineral Resource of 5.2Mt at 5.1g/t for 850,000oz of gold.

MINERAL RESOURCES	MEASURED			INDICATED			INFERRED			TOTAL		
	Tonnes (000s)	Grade (g/t)	Ounces (000s)	Tonnes (000s)	Grade (g/t)	Ounces (000s)	Tonnes (000s)	Grade (g/t)	Ounces (000s)	Tonnes (000s)	Grade (g/t)	Ounces (000s)
<b>As at 31 March 2019</b>												
<b>Tabakoroni</b>												
Open Pit	540	5.2	90	410	5.1	70	0	0.0	0	950	5.2	160
Underground	130	4.7	20	1,680	5.2	280	3,360	5.1	550	5,170	5.1	850
Stockpiles	190	3.1	20	0	0.0	0	0	0.0	0	190	3.1	20
<b>Total</b>	<b>860</b>	<b>4.7</b>	<b>130</b>	<b>2,090</b>	<b>5.2</b>	<b>350</b>	<b>3,360</b>	<b>5.1</b>	<b>550</b>	<b>6,310</b>	<b>5.1</b>	<b>1,030</b>

Table 8: Updated Tabakoroni Mineral Resources

Exploration drilling at Tabakoroni has been limited to a depth of 250m below surface. As such, there is excellent potential for the deposit to grow. An underground mining study including technical assessments and metallurgical testwork has commenced to support the potential for the near-term development of a new underground mine.

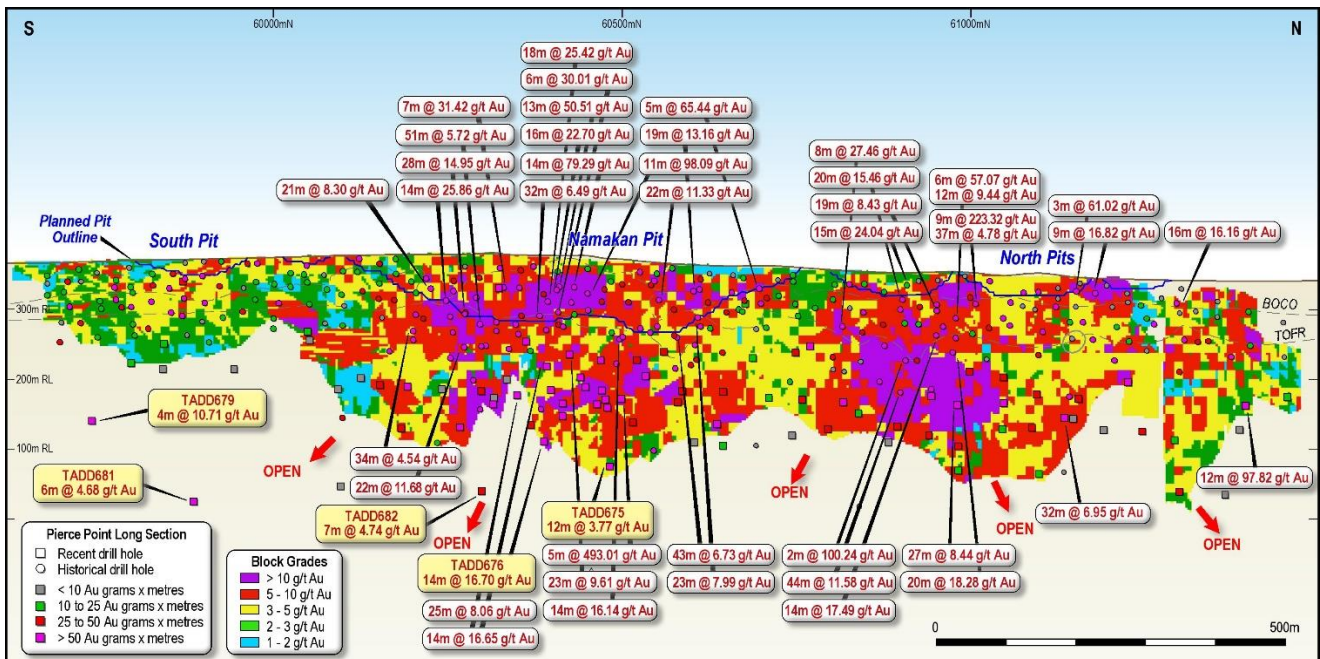


Figure 4: Tabakoroni longitudinal section with Mineral Resource model and drillhole pierce points

## Syama Hybrid Power Project

In November 2018 (refer ASX Announcement 26 November 2018), Resolute announced the signing of a Joint Development (JDA) with Ignite Energy Projects Pty Ltd (Ignite Energy) to for the development of a new 40 megawatt (MW) independent solar hybrid power plant at Syama. During the June 2019 Quarter, Resolute terminated the JDA with Ignite, and is now pursuing an alternative opportunity for the provision of new low cost power for Syama. Resolute remains committed to a low-cost solar hybrid power solution for Syama. The objective remains to deliver cost



effective, environmentally friendly, capital efficient power that can deliver long term electricity cost savings of up to 40% at Syama while reducing carbon emissions and providing tangible benefits to local Mali communities.

## **New Mining Convention Agreed and Mining Permit Extended**

In April 2019, Resolute announced that the Government of Mali had agreed to a new Mining Convention which establishes improved fiscal and operating conditions for Syama and that the Syama Mining Permit had been extended by 10 years (see ASX Announcement dated 18 April 2019). The Mining Convention defines the fiscal rights and legal obligations of Resolute's Malian subsidiary, Société des Mines de Syama S.A. (SOMISY) and the Government of Mali with respect to the operation of Syama pursuant to the extended Mining Permit.

The Syama Mining Permit has now been renewed for the second time, with an extension of a further period of ten years taking effect from 29 March 2019. The renewed Mining Permit is valid until March 2029 and was registered in the Official Public Journal of Mali in Bamako on 16 April 2019. Further renewals of the Syama Mining Permit, for additional 10-year periods, will be available until exhaustion of the Ore Reserves.

The Mining Convention operates in parallel with the Mining Permit and, with the applicable Mining Code and other relevant legislation, governs the conditions that apply to exploration and mining operations. These conditions cover work obligations, reporting, taxes, duties, customs, local content, training obligations, and Mali Government equity participation. Resolute negotiated the terms of the Syama Mining Convention to support the significant investment in the new Syama Underground Mine.

## **Outlook for Syama**

Implementation of the fully autonomous fleet and the continued ramp-up of the Syama Underground Mine remains the highest priority for Resolute. A further increase in production rates is expected in the September 2019 Quarter as additional stoping areas are brought online.

During the September 2019 Quarter, work at the Syama Underground Mine will comprise:

- Ore development on the 1080 and 1055 production sub levels;
- Commencement of sub level caving on the 1080 level;
- Ongoing sublevel caving production from the 1130 and 1105 transverse zones;
- Ongoing mapping and commissioning of automated loading from sublevel cave draw points; and
- Commissioning of automated trucking.

Automated trucking is a key element of the overall automation system. Maintaining 24 hour per day trucking with an automated fleet will be an important driver in achieving Resolute's productivity and cost aspirations for the Syama Underground Mine. A major focus of the September 2019 Quarter will be on establishing automated trucking from the 1055 haulage level to the ROM pad. This will require the trucks to move from laser guidance underground to GPS guidance at the surface. Trials conducted in the June 2019 Quarter saw trucks successfully completed this transition.

Mining at the Tabakoroni Open Pit Mine will continue from the South Pit, which is expected to be completed in the September 2019 Quarter and the Namakan Stage 2 Pit. Processed grades are likely to be lower than in the June 2019 Quarter as mining moves through though lower grades zones in these pits.

## **New FY19 Guidance for Syama (12 months to 31 December 2019)**

Gold production from Syama for FY19 (31 December) is expected to be 270,000oz at US\$890/oz with sulphide operations contributing 110,000oz and oxide operations contributing 160,000oz. The sulphide circuit will treat an increasing proportion of underground sulphide as the Syama Underground Mine reaches its full production rate. Oxide production will continue to be sourced from the Tabakoroni Open Pit Mine. Capital expenditure (non-sustaining) for Syama is for the six months ended December 2019 is forecast to be A\$57m (US\$40m). This comprises capital for the completion of the Syama Underground Mine including final equipment, automation and remaining infrastructure works. Investment in exploration at Syama is forecast at A\$11m (US\$8m) for the six months to December 2019. Exploration will be focused on drilling activities at Tabakoroni.



## Ravenswood, Australia

The Ravenswood Gold Mine (Ravenswood) is located approximately 95km south-west of Townsville and 65km east of Charters Towers in north-east Queensland, Australia. Ore at Ravenswood is currently sourced from the Mt Wright Underground Mine and stockpiles. The Mt Wright Underground Mine uses the sublevel shrinkage with continuous fill mining method. An updated study for the Ravenswood Expansion Project (REP) provided for average annual production of 115,000oz at an AISC of US\$823/oz over a 14 year mine (see ASX Announcement dated 11 July 2018). A strategic review focused on enhancing project economics through reductions in capital and operating costs and assessing the potential for further growth through processing expansions is being advanced and is supported by a recent Mineral Resource and Ore Reserve upgrade (see ASX Announcement dated 22 July 2019).

## Operations Update

The operations performance for Ravenswood for the June 2019 Quarter is set out in Table 9 below.

	Ore Mined (t)	Ore Milled (t)	Head Grade (g/t)	Recovery (%)	Total Production (Gold oz)	Cash Cost A\$/oz	AISC A\$/oz
Mar Quarter	80,903	571,150	0.80	90.5	13,554	1,730	1,874
Jun Quarter	65,487	652,507	0.64	91.4	12,375	1,999	2,345
Year to Date	146,390	1,223,657	0.72	90.98	25,929	1,858	2,099

**Table 9: Ravenswood Production and Cost Summary**

Production for the June 2019 Quarter of 12,375oz, was 9% below the March 2019 Quarter of 13,554oz. Production from the Mt Wright Underground Mine, which is expected to close in late 2019 remained limited by a reduction on cave overdraw and a restricted number of primary stopping areas. Milled tonnages increased to offset lower feed grades. Contract crushing operations were commenced to provide additional feed to the mills. Recoveries remained strong despite the low processed grades.

## Major Gold Inventory Upgrade

Drilling and resource estimation work undertaken during the June 2019 Quarter culminated in a major gold Mineral Resource and Ore Reserve upgrade for Ravenswood being announced on 22 July 2019. Ravenswood Ore Reserves have increased by 1Moz, or 58%, from 1.7Moz to 2.7Moz. Mineral Resources at Ravenswood have increased by 24% from 4.8Moz to 5.9Moz. These impressive upgrades to Resolute's available gold inventory at Ravenswood are net of depletion as at 30 June 2019.

An updated Mineral Resource estimate has been prepared for Resolute's combined Ravenswood deposits consisting of Buck Reef West, Nolans and Sarsfield. These deposits are all immediately adjacent to the Nolans Processing Plant within a radius of 1.5km<sup>2</sup>. Mining, metallurgical and engineering studies performed during 2019 as part of Resolute's ongoing strategic review of the REP supported the updated Ore Reserve.

## Mineral Resources

The previously published Ravenswood Mineral Resource estimates comprised discrete models covering each of the main deposits (Buck Reef West, Sarsfield and Nolans). In order to examine opportunities to further expand future open pit operations and maximise fleet scheduling efficiencies, a new combined resource model which captures both the Buck Reef West and Sarsfield-Nolans areas was developed by MPR Geological Consultants Pty Ltd in April 2019.

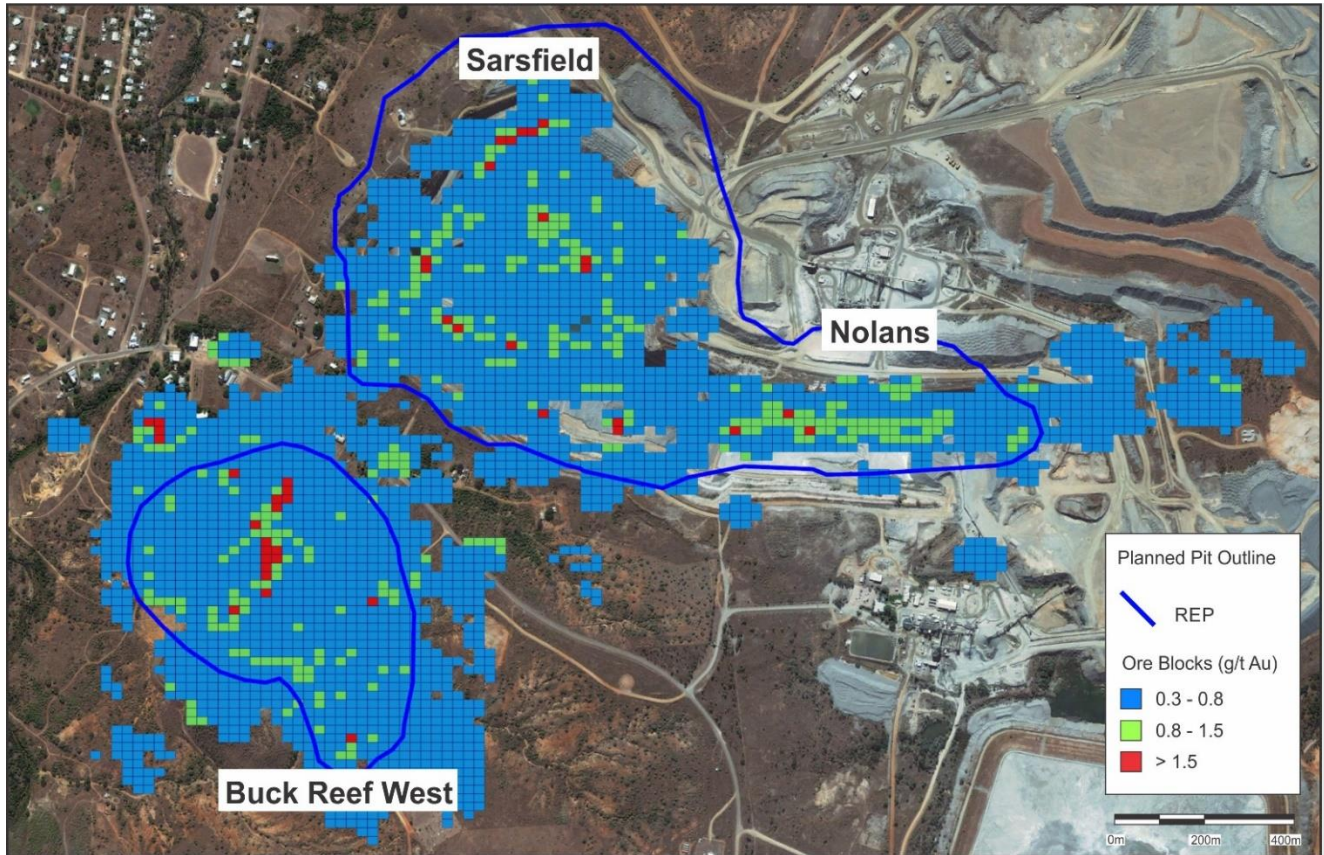


Figure 5: Buck Reef West, Sarsfield and Nolans pits with updated Mineral Resource block model

The new combined Mineral Resource stands at 270Mt at 0.7g/t Au for 5.9Moz of gold. The classification and location of the new Mineral Resources are presented below in Table 10.

MINERAL RESOURCES	MEASURED			INDICATED			INFERRED			TOTAL RESOURCES		
	Tonnes (000s)	Grade (g/t)	Ounces (000s)	Tonnes (000s)	Grade (g/t)	Ounces (000s)	Tonnes (000s)	Grade (g/t)	Ounces (000s)	Tonnes (000s)	Grade (g/t)	Ounces (000s)
As at 30 June 2019												
Sarsfield/Nolans	50,960	0.8	1,230	52,520	0.6	1,060	39,400	0.6	810	142,870	0.7	3,100
Buck Reef West	25,480	0.9	710	29,630	0.8	720	36,950	0.6	730	92,060	0.7	2,160
Sarsfield Mineralised Waste	0	0.0	0	0	0.0	0	32,600	0.4	390	32,600	0.4	390
<b>Open Pit Sub Total</b>	<b>76,430</b>	<b>0.8</b>	<b>1,940</b>	<b>82,150</b>	<b>0.7</b>	<b>1,780</b>	<b>108,950</b>	<b>0.6</b>	<b>1,930</b>	<b>267,530</b>	<b>0.7</b>	<b>5,650</b>
Mt Wright	90	3.6	10	0	0.0	0	470	3.6	60	560	3.6	70
Welcome Breccia	0	0.0	0	0	0.0	0	2,040	3.2	210	2,040	3.2	210
<b>Underground Sub Total</b>	<b>90</b>	<b>3.6</b>	<b>10</b>	<b>0</b>	<b>0.0</b>	<b>0</b>	<b>2,510</b>	<b>3.3</b>	<b>260</b>	<b>2,600</b>	<b>3.3</b>	<b>270</b>
<b>Total</b>	<b>76,520</b>	<b>0.8</b>	<b>1,950</b>	<b>82,150</b>	<b>0.7</b>	<b>1,780</b>	<b>111,460</b>	<b>0.6</b>	<b>2,200</b>	<b>270,120</b>	<b>0.7</b>	<b>5,920</b>

Table 10: Ravenswood Mineral Resource

- Notes:
1. Mineral Resources include Ore Reserves. Differences may occur due to rounding.
  2. Resources are reported above 0.3g/t cut-off for Sarsfield/Nolans and Buck Reef West.
  3. Mt Wright Reserves and Resources are reported above 2.3g/t cut off.



## Ore Reserves

Mining studies, metallurgical test work and engineering studies undertaken during the first half of 2019 as part of the ongoing strategic review of the REP focused on optimisation and potential for increased throughput driving improved production and cost outputs.

The REP optimisation work has identified opportunities to expand annual mill throughput and gold production through developing and mining the Buck Reef West, Sarsfield and Nolans East orebodies via:

- Bulk, open-pit mining with large mobile fleet classes;
- Rejection of waste (beneficiation) from Sarsfield-Nolans ore prior to milling;
- Expanding milling capacity of the existing process plant, in two stages, from 2.8Mtpa to 5.0Mtpa and then to 7.1Mtpa;
- Extending and expanding the existing Nolans Tailings Storage Facility to store process tailings, including those currently stored in the Sarsfield open pit;
- Accessing the Sarsfield open pit through redeposition of in-pit tailings; and
- Low-cost owner-operated mining.

This work has formed the basis for an updated Ore Reserve estimate for Ravenswood. The new Ore Reserve stands at 115.4Mt at 0.7g/t Au for 2.7Moz of gold. The classification and location of the new Ore Reserves are presented in Table 11.

ORE RESERVES	PROVED			PROBABLE			TOTAL		
	Tonnes (000s)	Grade (g/t)	Ounces (000s)	Tonnes (000s)	Grade (g/t)	Ounces (000s)	Tonnes (000s)	Grade (g/t)	Ounces (000s)
As at 30 June 2019									
Sarsfield/Nolans	47,450	0.8	1,170	42,640	0.7	890	90,100	0.7	2,060
Buck Reef West	19,670	0.9	540	5,520	0.7	130	25,190	0.8	670
<b>Open Pit Sub Total</b>	<b>67,120</b>	<b>0.8</b>	<b>1,710</b>	<b>48,170</b>	<b>0.7</b>	<b>1,020</b>	<b>115,290</b>	<b>0.7</b>	<b>2,730</b>
Mt Wright	70	2.2	5	0		0	70	2.2	5
<b>Underground Sub Total</b>	<b>70</b>	<b>2.2</b>	<b>5</b>	<b>0</b>	<b>0.0</b>	<b>0</b>	<b>70</b>	<b>2.2</b>	<b>5</b>
<b>Total</b>	<b>67,190</b>	<b>0.8</b>	<b>1,720</b>	<b>48,170</b>	<b>0.7</b>	<b>1,020</b>	<b>115,360</b>	<b>0.7</b>	<b>2,740</b>

Table 11: Ravenswood Ore Reserves

Notes: 1. Mineral Resources include Ore Reserves. Differences may occur due to rounding.  
2. Reserves are reported above 0.3g/t cut-off for Sarsfield/Nolan and Buck Reef West.  
3. Mt Wright Reserves and Resources are reported above 2.3 g/t cut off.  
4. The Ravenswood Expansion Project assumed a gold price of US\$1,275/oz.

## New Leases Granted

During the June 2019 Quarter, Resolute announced that the Queensland Government had approved 12 new mining leases over areas which will support the REP (see ASX Announcements dated 14 May 2019 and 13 June 2019). The new leases include areas within the operational footprint of the proposed Buck Reef West open pit and nearby land required for infrastructure including roads, water management and noise bunding.

The expansion of Resolute's tenure at Ravenswood supports progress of the strategic review of the REP. As part of the ongoing strategic review Resolute is seeking additional environmental approvals for an expansion of the existing Nolans tailings storage facility to support the potential for a significant increase in scale of the REP.



## Outlook for Ravenswood

Production is expected to improve in the September 2019 Quarter as a result of increased mill availability and improved production from the Mt Wright Underground Mine. Options for increasing mill throughput further, including re-commissioning of the currently inactive third ball mill, are being considered.

### New FY19 Guidance for Ravenswood (12 months to 31 December 2019)

At Ravenswood, overdraw from the Mt Wright Underground Mine will continue to provide tonnages during the September 2019 Quarter with the balance of feed to be sourced from Nolans East and Sarsfield stockpiles. Gold production from Ravenswood in FY19 (31 December) is expected to be 60,000oz at an AISC of US\$1,270/oz. The Company is continuing to progress a strategic review of the Ravenswood Expansion Project with a view to delivering a larger scale, lower cost, longer life operation relative to the previously published study from a gold inventory position of 5.7Moz (see ASX Announcements dated 11 July 2018 and 22 July 2019). Potential exists to deliver approximately 200,000oz annually over a 15-year mine life.

Project capital expenditure for the six months to December 2019 at Ravenswood as the Company prepares for the development of the REP is forecast to be A\$10m (US\$7m). This largely comprises preparatory expenditure for the REP, and includes provision for refurbishment of the currently decommissioned third ball mill.

## Bibiani, Ghana

The Bibiani Gold Mine (Bibiani) is situated in the western region of Ghana in West Africa and is bordered by Burkina Faso to the north, Cote d'Ivoire to the west and Togo to the east. Since assuming ownership in 2014, Resolute embarked on two surface and underground resource drilling programs to re-assess the underground mine potential and in June 2018 released an update to its June 2016 feasibility study (see ASX Announcement dated 13 July 2018). This update demonstrated the potential for Bibiani to produce ~100,000oz annually at a life of mine AISC of US\$764/oz for 10 years.

Work in the June 2019 Quarter focused on project execution planning comprising detailed mine design, process plant refurbishment definition and detailed engineering, business operations readiness planning and the establishment of support services, government approvals and community relations strategies.

This work will be completed in the September 2019 Quarter and will inform a Final Investment Decision on the recommencement of operations.

### Scheme of Arrangement Extension

During the June 2019 Quarter, Resolute sought an amendment to the original Scheme of Arrangement to provide additional time to make a Final Investment Decision on the re-commissioning of the mine. Resolute undertook a process with creditors to seek a three-year extension of the Scheme and to change the trigger to the next Scheme Payment. The Scheme extension and amendments were approved by the creditors in April 2019 and the Scheme companies have now secured Court ratification of the Scheme extension and the amended Scheme has become operational.



## Corporate

### Cash, Bullion and Listed Investments

Description	June 2019 Quarter (A\$m)	March 2019 Quarter (A\$m)
Cash	13.2	32.5
Bullion	21.1	22.1
Cash and Bullion Sub-Total	34.3	54.6
Listed Investments	22.1	31.8
<b>Total Cash, Bullion and Listed Investments</b>	<b>56.3</b>	<b>86.4</b>

Table 12: Total Cash, Bullion and Listed Investments

The principal movements in the market value of cash and bullion balances during the June 2019 Quarter are summarised in Table 13 and also set out in Figure 6. Cash outflows included A\$42.7m in development expenditures principally associated with the development of the Syama Underground Mine.

	June 2019 Quarter (A\$m)	March 2019 Quarter (A\$m)
<b>Operating Cash Flows</b>		
Gross Operating Cash Flows from Syama and Ravenswood	30.4	90.6
Royalty Payments	(10.4)	(8.5)
VAT Offsets	3.6	1.8
Overheads and Operational Support Costs	(11.9)	(6.5)
Exploration Expenditure	(2.8)	(1.8)
Interest Expense/Income Net Cash Flows	(2.7)	(3.0)
Working Capital Movements	(20.4)	3.8
<b>Investing Cash Flows</b>		
Development Expenditure, incl. Syama Underground Mine Development, Feasibility Studies, Resource Development and Other Projects	(42.7)	(86.6)
Operational Sustaining Capital Expenditure	(1.8)	(1.2)
Bibiani Project Care and Maintenance	(1.6)	(2.8)
Other Investing Activities	-	(0.1)
<b>Financing Cash Flows</b>		
Loans Advanced & Repayments	1.0	2.2
Dividend Payments	-	-
Existing Debt Facility Inflows/(Outflows)	39.0	(11.1)
Foreign Exchange Fluctuations and Market Value Changes of Bullion on Hand	(0.0)	(0.4)
<b>Net Cash &amp; Bullion Outflows</b>	<b>(20.3)</b>	<b>(23.6)</b>
<b>Opening Cash and Bullion</b>	<b>54.6</b>	<b>78.2</b>
<b>Closing Cash and Bullion</b>	<b>34.3</b>	<b>54.6</b>

Table 13: Movements in Cash and Bullion Balances

## Borrowings

The Company's borrowing facilities consist of a US\$150 million syndicated revolving credit facility and an unsecured bank overdraft held by Resolute's Malian subsidiary, SOMISY with the Banque de Développement du Mali (BDM).

As at 30 June 2019, total borrowings were A\$193m comprising US\$125m drawdown on the US\$150m revolving credit facility and the net balance of the Company's unsecured overdraft facility with BDM and in-country receivables.



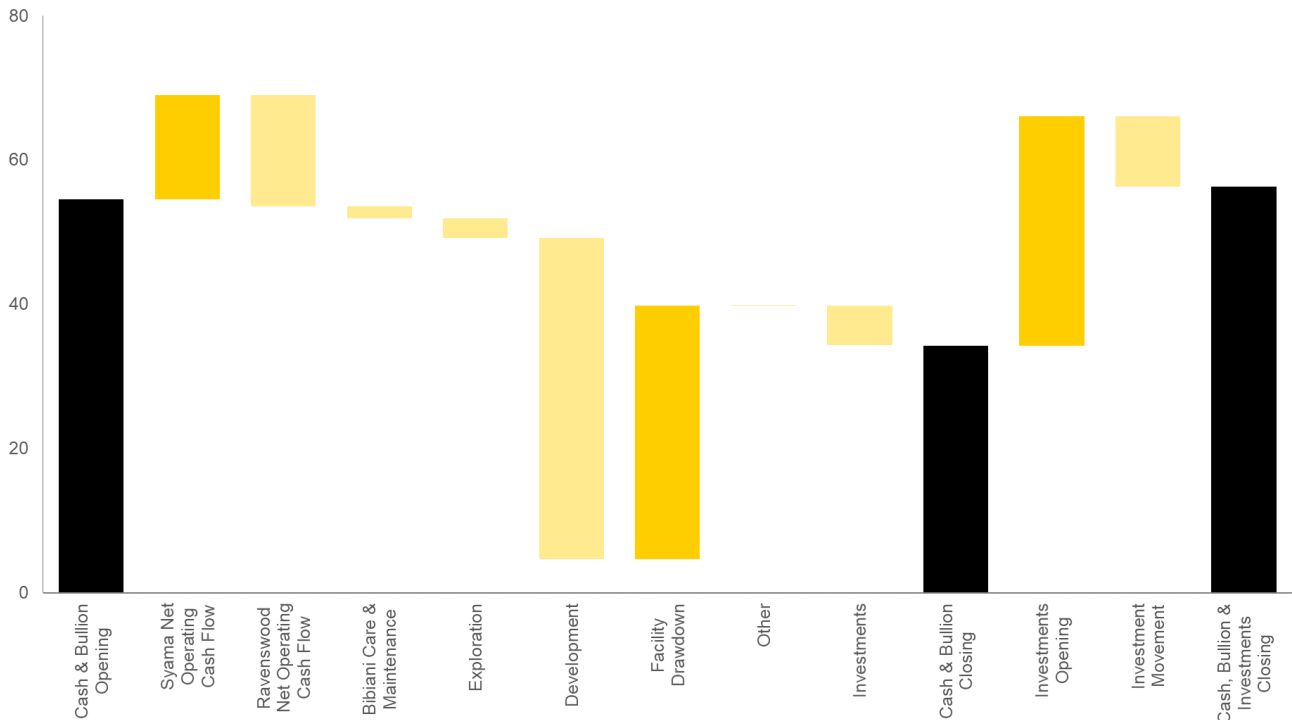


Figure 6: Quarterly Cash, Bullion and Investments Reconciliation

## Hedging

Resolute maintains a policy of undertaking short-dated hedging to take advantage of periods of elevated gold prices.

Resolute continued to actively manage its gold sales and undertake hedging above its budgeted gold price to take advantage of gold price volatility, maximise revenues and protect the Company's balance sheet and cash flows in 2019. During the June 2019 Quarter, the Company hedged 30,000oz at an average price of A\$1,943/oz and 30,000oz at an average price of US\$1,337/oz and also engaged in some shorter dated hedging.

As at 30 June 2019, Resolute's remaining hedge deliveries are summarised below.

Quarter	AUD Forward Sales		US Dollar Forward Sales	
	Forward price A\$/oz	Delivery (oz)	Forward price US\$/oz	Delivery (oz)
September 2019	1,756	30,000	1,339	32,000
December 2019	1,756	30,000	1,336	30,000
March 2020	1,915	30,000	-	-
June 2020	1,915	30,000	-	-
<b>Total</b>	<b>1,835</b>	<b>120,000</b>	<b>1,338</b>	<b>62,000</b>

Table 14: Current Committed Hedging Forward Sales in A\$ and US\$

## Gold in Circuit

As at 30 June 2019, Resolute had an estimated recoverable gold in circuit inventory of 66,917oz with a market value of approximately A\$134m (US\$94m). The majority of the gold in circuit inventory comprises carbon enriched concentrates stockpiled at Syama.



Resolute

# Quarterly Activities Report for the period ended 30 June 2019

## Business Development

In pursuit of its objective of being a low-cost, multi-mine African-focused producer, the Company continues to actively evaluate a range of growth opportunities. The pursuit of value accretive, portfolio enhancing opportunities remains a key focus for the Company.

## Admission to Trading on London Stock Exchange

Following the announcement of its intention to list on the London Stock Exchange (LSE) in late 2018 (see ASX Announcement dated 27 November 2018), Resolute was pleased to be admitted to trading on the London Stock Exchange during the June 2019 Quarter. The Company's dual-listing was being undertaken with a view to raising Resolute's profile in global capital markets and facilitating improved access to gold and African-focused institutional investors. Following the publication of its Prospectus on 17 June 2019 (see ASX Announcement dated 17 June 2019), Resolute's shares were admitted to trading on the London Stock Exchange's Main Market under the ticker LSE: RSG on 20 June 2019 (see ASX Announcement dated 20 June 2019). Further information regarding Resolute's London Stock Exchange listing is available at the Company's website at [www.rml.com.au/lse-listing/](http://www.rml.com.au/lse-listing/).



Figure 7 (L to R): Tom Attenborough from the London Stock Exchange with Resolute's Jeremy Meynert, John Welborn and Martin Botha

## Investor and Analyst Conference Call

A conference call for investors and analysts will be held at 9am (London) / 4pm (AWST) / 6pm (AEST) on Wednesday 31 July 2019. Dial-in details will be published prior to the call.

For further information, contact:

**John Welborn**  
Managing Director & CEO

**Jeremy Meynert**  
General Manager – Business Development & Investor Relations



Resolute

# Quarterly Activities Report for the period ended 30 June 2019

## Competent Persons Statement

For the purposes of ASX Listing Rule 5.23, Resolute confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements relating to exploration results or estimates of Mineral Resources or Ore Reserves referred to in this announcement and, in the case of Mineral Resources and Ore Reserves, that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. Resolute confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

## About Resolute

Resolute is a successful, dividend paying gold miner with more than 30 years of experience as an explorer, developer and operator of gold mines in Australia and Africa which have produced more than 8 million ounces of gold.

Resolute currently owns three gold mines. Its flagship asset is the world class Syama Gold Mine in Mali (Syama) which can produce more than 300,000 ounces of gold per annum from existing processing infrastructure. Resolute is currently commissioning the world's first fully automated underground mine at Syama which will deliver a low cost, large scale operation with a mine life beyond 2032. Alongside Syama, Resolute owns the Ravenswood Gold Mine in Australia and the Bibiani Gold Mine in Ghana. Resolute has a pathway to annual gold production in excess of 500,000 ounces from a Global Mineral Resource base of more than 17 million ounces of gold.

## Contact Information

### Resolute

John Welborn, Managing Director & CEO  
Jeremy Meynert, General Manager – BD & IR  
Telephone: +61 8 9261 6100  
Email: [contact@rml.com.au](mailto:contact@rml.com.au)  
Web: [www.rml.com.au](http://www.rml.com.au)

### Berenberg (UK Corporate Broker)

Matthew Armitt / Detlir Elezi  
Telephone: +44 20 3207 7800

### Tavistock (UK Public Relations)

Jos Simson / Charles Vivian / Emily Fenton / Annabel de Morgan  
Telephone: +44 207 920 3150 / +44 778 855 4035  
Email: [resolute@tavistock.co.uk](mailto:resolute@tavistock.co.uk)

## Follow Resolute



### ASX:RSG Capital Summary

Fully Paid Ordinary Shares: 758,094,588  
Current Share Price:  
A\$1.74, 29 July 2019  
Market Capitalisation:  
A\$1.32bn  
FY19 Guidance (to 31 December):  
330,000oz @ AISC US\$990/oz

### Board of Directors

Mr Martin Botha *Non-Executive Chairman*  
Mr John Welborn *Managing Director & CEO*  
Ms Yasmin Broughton *Non-Executive Director*  
Mr Mark Potts *Non-Executive Director*  
Ms Sabina Shugg *Non-Executive Director*  
Mr Peter Sullivan *Non-Executive Director*

### Contact

John Welborn *Managing Director & CEO*  
Jeremy Meynert *GM – BD & IR*  
Level 2, Australia Place | 15-17 William St  
Perth, Western Australia 6000  
T: +61 8 9261 6100 | F: +61 8 9322 7597  
E: [contact@rml.com.au](mailto:contact@rml.com.au)